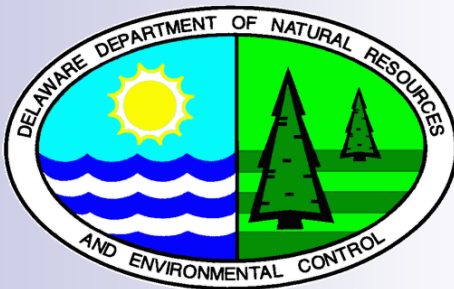


2018 Title V Annual Committee Meeting



July 18th, 2018

Blue Skies Delaware; Clean Air for Life

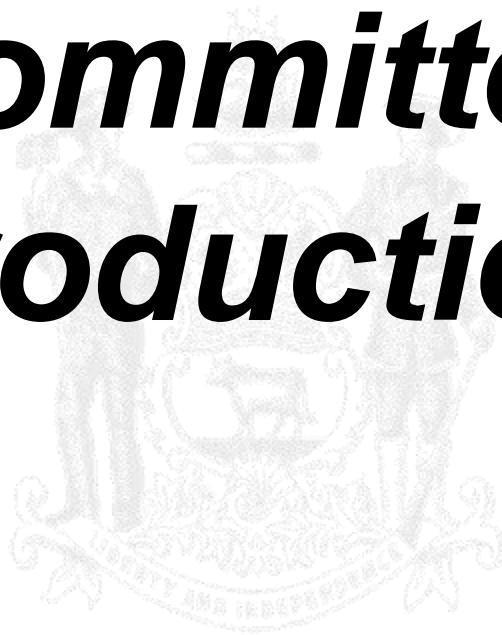
Agenda

- Introductions 5 Min.
- 2017 A Year in Review Report 30 Min.
 - Program Costs
 - Billing & Fees
 - Revenue
 - Carryover Balance
 - Delinquent Facilities
 - Staffing Levels
 - 2018 - 2020 Fees and Credit Structure
 - Impacts to Budget
- DAQ Strategy (Customer, Process, People, Resources)
 - Reg. 2 fees 15 Min.
 - E-Permitting & ECM 15 Min.
 - TV Billing Improvement Project 10 Min.
- Open Discussion (Q & A) 30 Min.
- Action Items 10 Min.
- Closing Comments 5 Min.



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Committee Introductions



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2017 Overall Program Costs

Salary	\$2,342,707.38
Travel	\$15,278.83
Contractual ²	\$476,337.97
Supplies	\$100,699.63
Capital Outlay	0.00
Additional Support Services ³	\$209,109.35
Small Business Ombudsman Program ⁴	\$88,697.04
Total	\$3,232,830.20

Note: While the state operates on a fiscal year basis (July 1 - June 30), the Title V fees are billed and spent on a calendar year basis. Consequently, some “Additional Support Services” costs, provided by other programs/organizations, in CY 2017 may include FY 2018 cost factors.

^[2] Items covered under the “Contractual” category include: Legal Assistance, Fleet charges (vehicle rental), building rent, utilities, vendor payments, temp services, and the upkeep of some air monitoring equipment.

^[3] Items covered under “Additional Support Services” include: Information Technology (\$28,105.28), the Environmental Crimes Unit (\$153,595.91 based on actual workload), and OTS support (\$27,408.16).

^[4] Items covered under the “Small Business Ombudsman Program” include the salary and expenses of 1.0 FTE.



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2017 Fees Collected

- **77 SM & 50 TV facilities billed**
- **\$3,222,670** was billed
 - ☐ Includes previous year(s)' back fees
 - ☐ After the user fee credit program (\$300,000)
- **\$3,204,270** was collected
 - ☐ **\$18,400** is overdue
 - ☐ One facility's non-payment of 2016 & 2017 fees



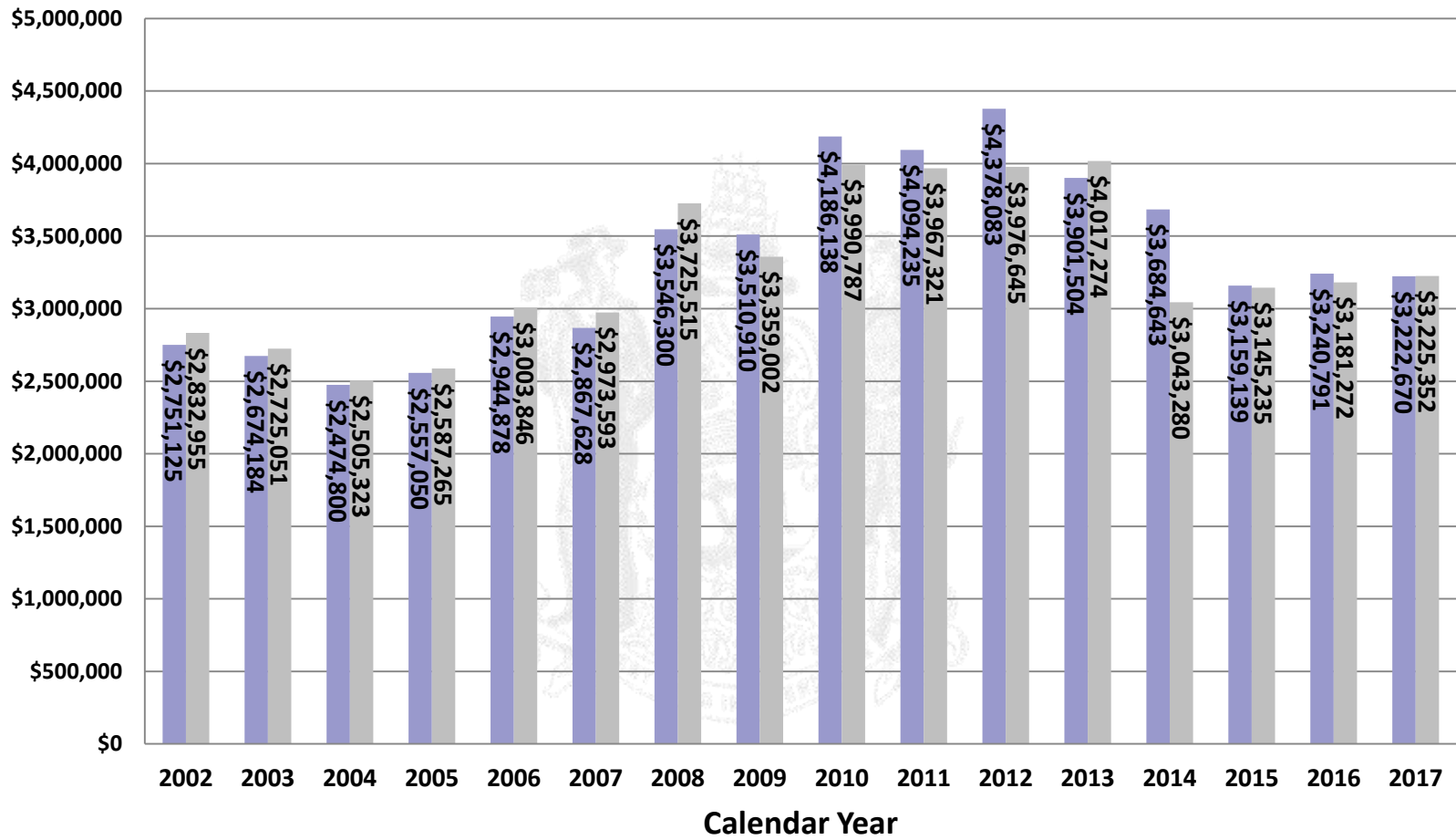
2017 TV Revenue

- Title V Revenue was **\$3,225,352.**
 - Determined by the actual monies deposited into the account during a calendar year
 - The final revenue is impacted by
 - Interest gained
 - Quarterly payments
 - Early payments



Title V Billing History

■ Title V Fees Billed ■ Title V Revenue



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TV Account Activities

2017 Title V Account Expenses and Revenue								
MONTH	EXPENSES						INTEREST	REVENUE
	Salary	Energy	Travel	Contractual	Supplies	Capital Outlay		
January	\$167,651.83	\$0.00	\$1,944.81	\$41,546.64	\$31,545.71	\$0.00	\$3,513.82	\$82,858.82
February	\$190,051.76	\$0.00	\$1,232.20	\$42,803.58	\$1,001.67	\$0.00	\$3,647.51	\$2,395,932.51
March	\$241,462.30	\$0.00	\$842.37	\$163,065.51	\$15,021.66	\$0.00	\$4,236.77	\$260,399.27
April	\$203,144.66	\$0.00	\$2,050.77	\$45,837.49	\$13,044.38	\$0.00	\$5,293.70	\$105,866.20
May	\$176,579.53	\$0.00	\$3,853.99	\$156,355.25	\$7,046.64	\$0.00	\$5,160.23	\$161,610.23
June	\$208,367.32	\$0.00	\$335.93	\$123,524.52	\$8,189.27	\$0.00	\$5,160.93	\$34,978.93
July	\$202,919.12	\$0.00	\$963.94	\$4,679.86	\$3,044.93	\$0.00	\$4,372.62	\$56,002.62
August	\$168,002.06	\$0.00	\$473.80	\$41,858.60	\$2,322.94	\$0.00	\$2,230.72	\$40,138.22
September	\$260,678.35	\$0.00	\$1,478.81	\$13,008.25	\$326.65	\$0.00	\$2,056.09	\$17,216.09
October	\$164,527.07	\$0.00	\$2,551.58	\$19,681.40	\$15,983.60	\$0.00	\$1,927.28	\$4,152.28
November	\$166,313.78	\$0.00	-\$458.12	\$68,176.37	\$0.00	\$0.00	\$1,888.94	\$20,889.44
December	\$193,009.60	\$0.00	\$8.75	\$53,606.89	\$3,172.18	\$0.00	\$1,732.80	\$45,307.80
2017 Totals	\$2,342,707.38	\$0.00	\$15,278.83	\$774,144.36	\$100,699.63	\$0.00	*\$41,221.41	\$3,225,352.41
2017 Total Expenses	\$3,232,830.20							



DAQ

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2017 Carryover Balance

- On December 31, 2017, the Title V Carryover Balance was **\$3,559,156**

	2017
2016 Carryover Balance	\$3,612,029
2017 Title V Fee Revenue	\$3,225,352
2017 Encumbered Cash	\$454,605
Sub-Total	\$7,291,986
2017 Total Expenses	-\$3,232,830
OMB Budget Subsidy, Fund Transfer	-\$500,000
2017 Actual Carryover Balance	\$3,559,156



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Projected EOY 2018 Carryover Balance

	CY 2018 Prediction
2017 Actual Carryover Balance	\$3,559,156
Estimated 2018 Title V Fee Revenue	\$2,884,453
Estimated 2018 Total Expenses	\$3,297,487
Salary Leveling Increase @ 90% Engineer Staffing	\$208,600
Δ Revenue – Expenses	-\$621,634
2018 Projected Carryover Balance	\$2,937,522

Estimation Factors

- 2018 - 2020 Fee Tables
- 2018 - 2020 Fee Credit (\$385K)
- Actual fees billed for 2018 to include overdue fees from previous year billings
- 2017 expenses plus a 2% cost of living adjustment
- Engineer salary leveling (\$208K)



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Carryover Balance History

	2015	2016	2017	*2018
Total Title V Fee Revenue	\$3,145,235	\$3,181,272	\$3,225,352	*\$2,884,453
Total Expenses	\$2,979,694	\$3,141,964	\$3,232,830	*\$3,505,487
Actual Carryover Balance	\$4,445,358	\$3,612,029	\$3,559,156	*\$2,937,522

* Projected



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2016 Delinquent Facilities Update

Facility Name	2016 Remaining Delinquent Balance	Recovery Actions Update
Micropore, Inc	\$0.00	2016 fees paid in full.
Coker Concrete	\$0.00	2016 fees paid in full.
Lars Recycling, LLC	\$8,750.00	No payment received in 2016. 2017 fees not paid. Overdue balance accumulating and late fee assessed.
2016 Remaining Balance	\$8,750.00	

2017 Current Delinquent Status

Facility Name	Amount Due	Recovery Actions
Lars Recycling, LLC	\$18,400.00	Includes 2016 overdue balance. No payments received in 2016 or 2017. Facility abandoned. Pursuing collection through Department level legal action.
TOTAL	\$18,400.00	



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2018 – 2020 Fee Schedule

Fee Type	Category	Category Description	2018 - 2020 Fees
Base Fee	A	> 6,000 Hours	\$277,020
Base Fee	B	5,001 – 6,000 Hours	\$108,300
Base Fee	C	4,001 – 5,000 Hours	\$93,480
Base Fee	D	3,001 – 4,000 Hours	\$80,940
Base Fee	E	2,001 – 3,000 Hours	\$57,000
Base Fee	F	1,501 – 2,000 Hours	\$42,180
Base Fee	G	1,001 – 1,500 Hours	\$28,500
Base Fee	H	667 – 1,000 Hours	\$18,240
Base Fee	I	334 – 666 Hours	\$9,120
Base Fee	J	0 – 333 Hours	\$5,700
User Fee	1	> 2,000 Tons	\$350,000
User Fee	2	1,001 – 2,000 Tons	\$100,000
User Fee	3	501 – 1,000 Tons	\$60,000
User Fee	4	201 – 500 Tons	\$28,000
User Fee	5	101 – 200 Tons	\$12,000
User Fee	6	51 – 100 Tons	\$9,000
User Fee	7	26 – 50 Tons	\$6,000
User Fee	8	6 – 25 Tons	\$4,100
User Fee	9	0 – 5 Tons	\$3,950



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2018 -2020 Fee Credit Program

User Fee Category	Fee Credit Percent	Fee Credit
1	Will receive a credit of 30.14% of \$385,000	\$116,039
2	Will receive a credit of 8.61% of \$385,000	\$33,149
3	Will receive a credit of 5.17% of \$385,000	\$19,905
4	Will receive a credit of 2.41% of \$385,000	\$9,279
5	Will receive a credit of 1.03% of \$385,000	\$3,966
6	Will receive a credit of 0.77% of \$385,000	\$2,965
7	Will receive a credit of 0.52% of \$385,000	\$2,002
8	Will receive a credit of 0.35% of \$385,000	\$1,348
9	Will receive a credit of 0.34% of \$385,000	\$1,309



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2017 Staffing

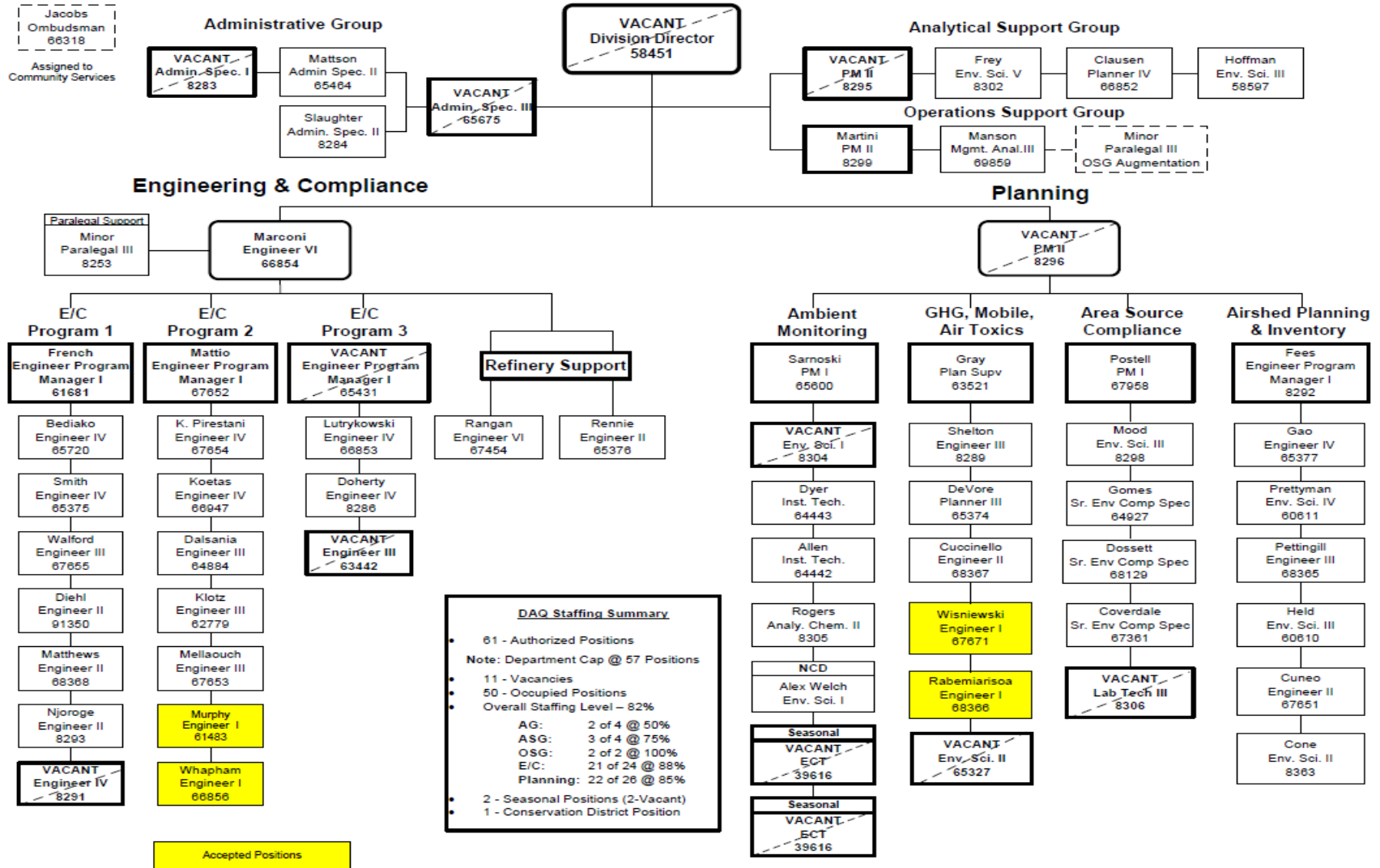
Branch/Group	Authorized	Occupied	Staffing Level
Director	1.0	1.0	100%
Analytical Support Group	3.0	2.0	67%
Operations Support Group	2.5	2.5	100%
Administrative Group	4.0	2.0	50%
Engineering & Compliance Branch	23.5	18.5	91%
Planning Branch	27.0	24.0	89%
Total	61.0	50.0	82%
Conservation District Employee	1.0	1.0	100%
Temporary Positions	2.0	1.0	50%
Seasonal Positions	2.0	0.0	0%

- 6 - full-time employees separated or retired
- 2 - additional full-time employees were hired



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Division of Air Quality (July 15, 2018)



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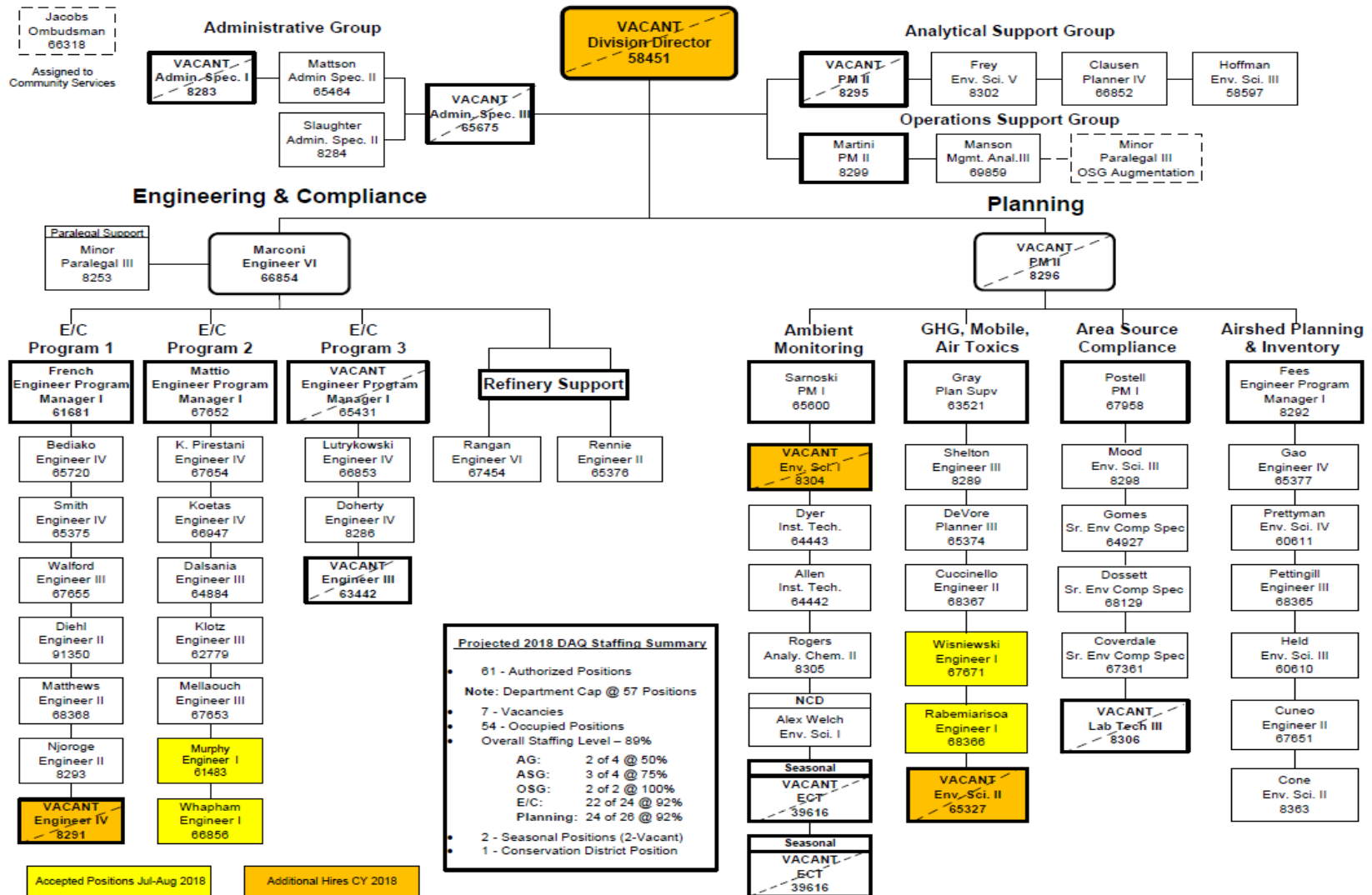
Staffing Summary

- 61 - authorized positions
Note: Department cap @ 57 positions
- 11 - vacancies
- 50 - occupied positions
- Overall staffing level = 82%
 - AG - 2 of 2 @ 50%
 - ASG - 3 of 4 @ 75%
 - OSG - 2 of 2 @ 100%
 - E/C - 21 of 24 @ 88%
 - Planning - 22 of 26 @ 85%



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Division of Air Quality (Project EOY 2018)



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TV Budget Impact

- Engineer Salary Leveling
 - Salary and OECs: \$208,000
- Recent Hires (4-Positions)
 - Salary & OECs: \$130,000
 - 1.6 FTEs
- Projected Hires CY 2018 (4-Positions)
 - Salary and OECs: \$156,000
 - 2.3 FTEs
- Returning to 2017 Staffing Levels
 - July 2017, 55 of 61 @ 90%



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Reg. 2 Permitting

- Status of 1991 Fees, Options:
 - ☐ Continue with existing fees
 - ☐ Revise the fees
- Exploring Efficiencies
 - ☐ Streamlined procedures for standard permitting (emergency generators, concrete plants)
 - ☐ Updated Desk Reference to house templates and reference information
- Working with new facilities
 - ☐ Chemours Discovery Hub





DeskReference

EDIT LINKS

DeskReference

Search this site

Home

EDIT LINKS

Site Content

Folder Structure

Status: Waiting for approval

Welcome to Desk Reference SharePoint Version 1.0

This contains information necessary for Permitting, Complianace, and Enforcement activites.

Folder Structure

new document or drag files here

✓		Name	Approval Status	Approver Comments
		I. Administration	... Approved	
		II. Permitting	... Approved	
		III. Compliance	... Approved	
		IV. Enforcement	... Approved	
		Modeling	... Approved	

Approval Status

 Type Name Modified ☐ Created By ☐ Modified By Approver Comments

 Approval Status : Approved (831)

Add document

My Change Requests

new document or drag files here

Name Modified Modified By Approval Status

Approval Status : Approved (2)

	legalreq	...	May 23, 2017	Marconi, Angela D. (DNREC)	Approved
	County Contact Information	...	May 23, 2017	Marconi, Angela D. (DNREC)	Approved


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ePermitting & ECM

***See additional Briefing Posted
on the TV Committee Website***



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TV Billing Improvement Project

OBJECTIVE

- To streamline the Title V & Synthetic Minor (“TV & SM”) invoice and tracking payment process to achieve:
 - ☐ Reduction in lead time
 - ☐ 100% invoicing accuracy
 - ☐ Continuous downward trending for delinquency



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TV Billing Improvement Project

BACKGROUND

- 2 months lead time
- 90% invoicing accuracy
- Delinquency rate

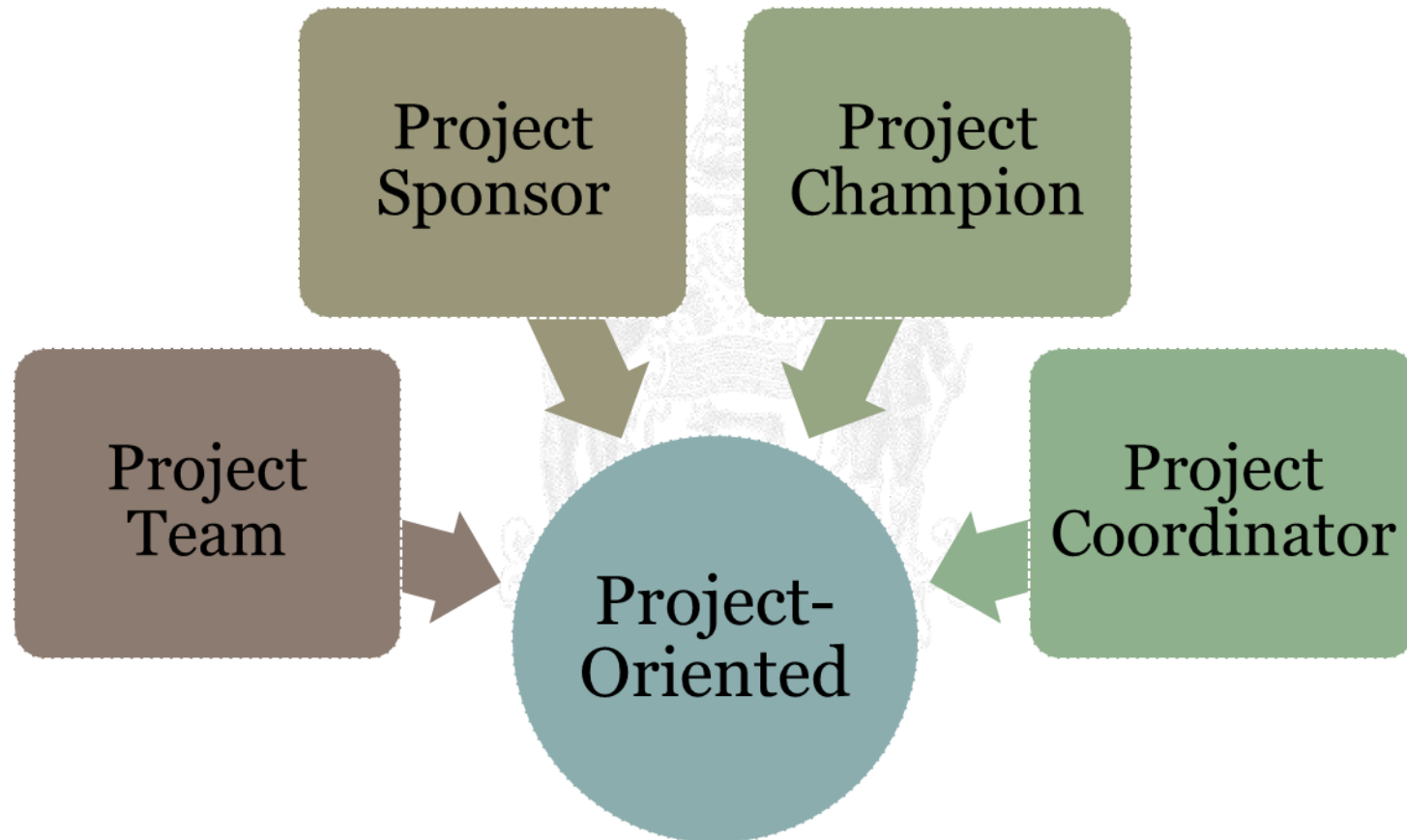


Delinquent Amount		
2016	2015	2014
\$21,479	\$268,701	\$404,370



TV Billing Improvement Project

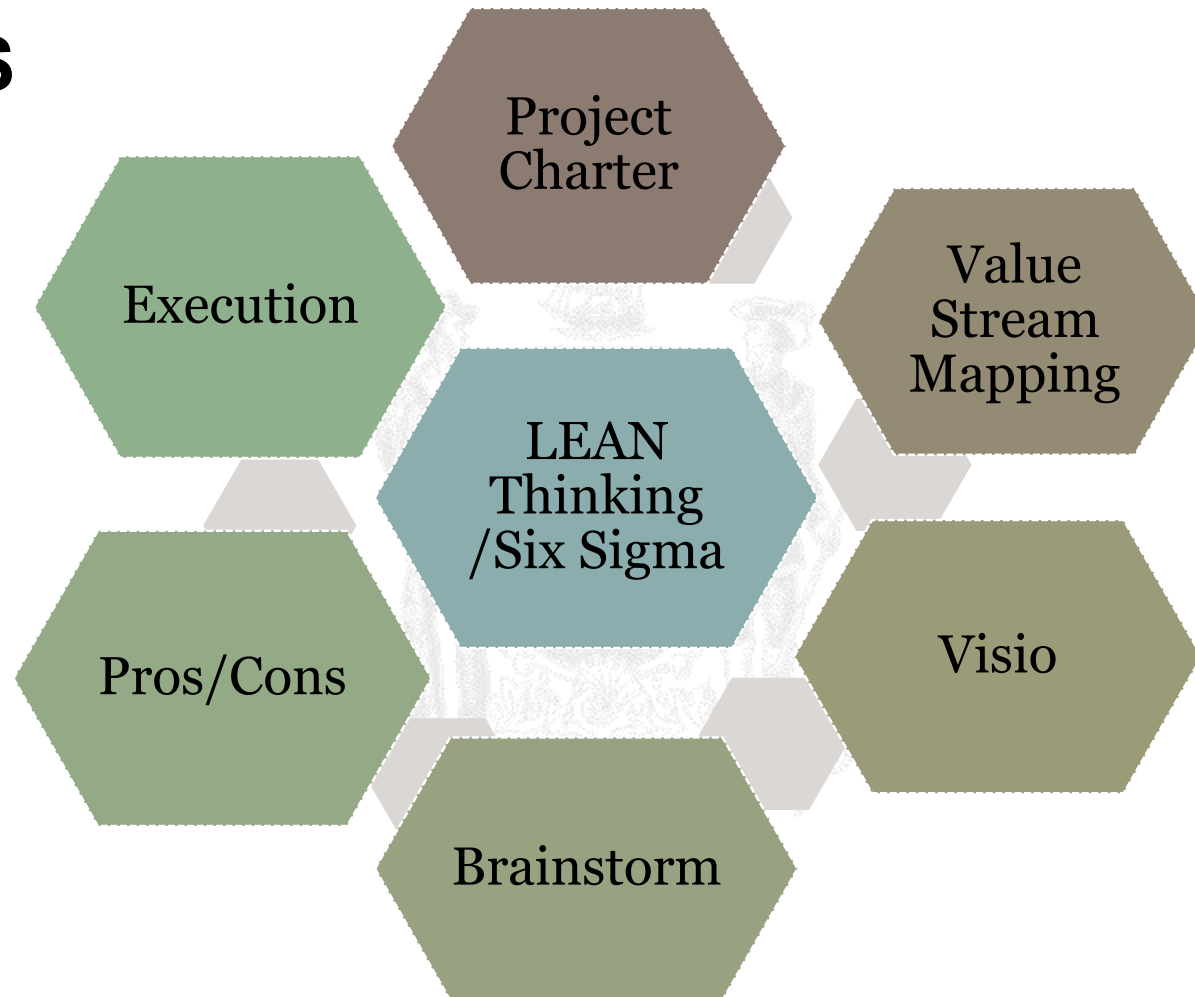
METHOD



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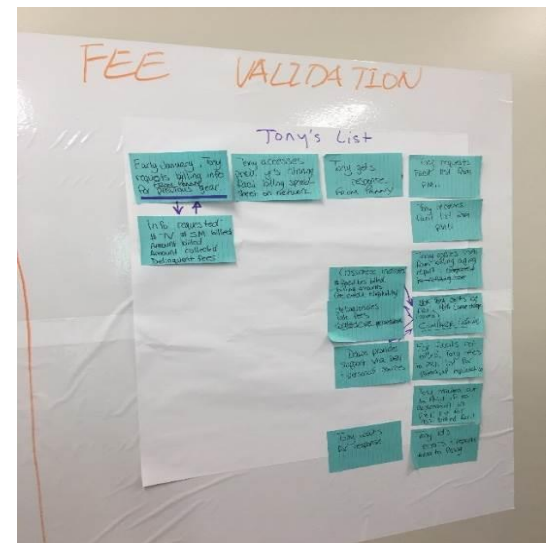
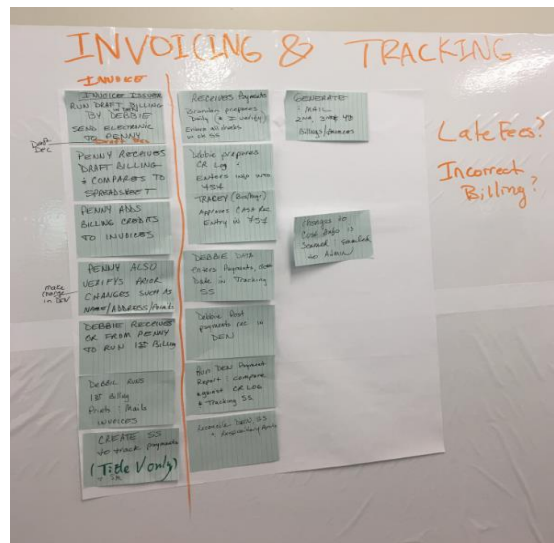
TV Billing Improvement Project

TOOLS



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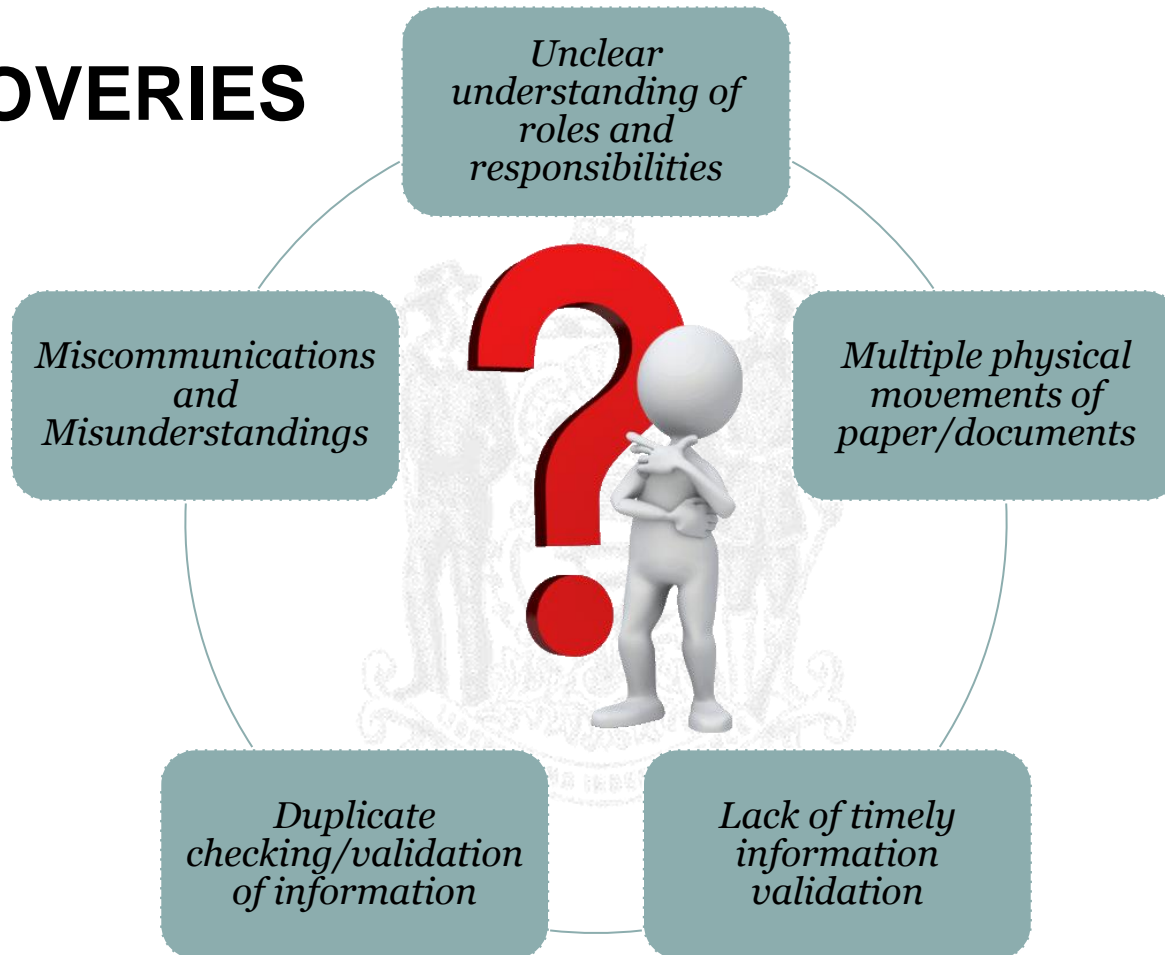
Completed existing process mapping



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TV Billing Improvement Project

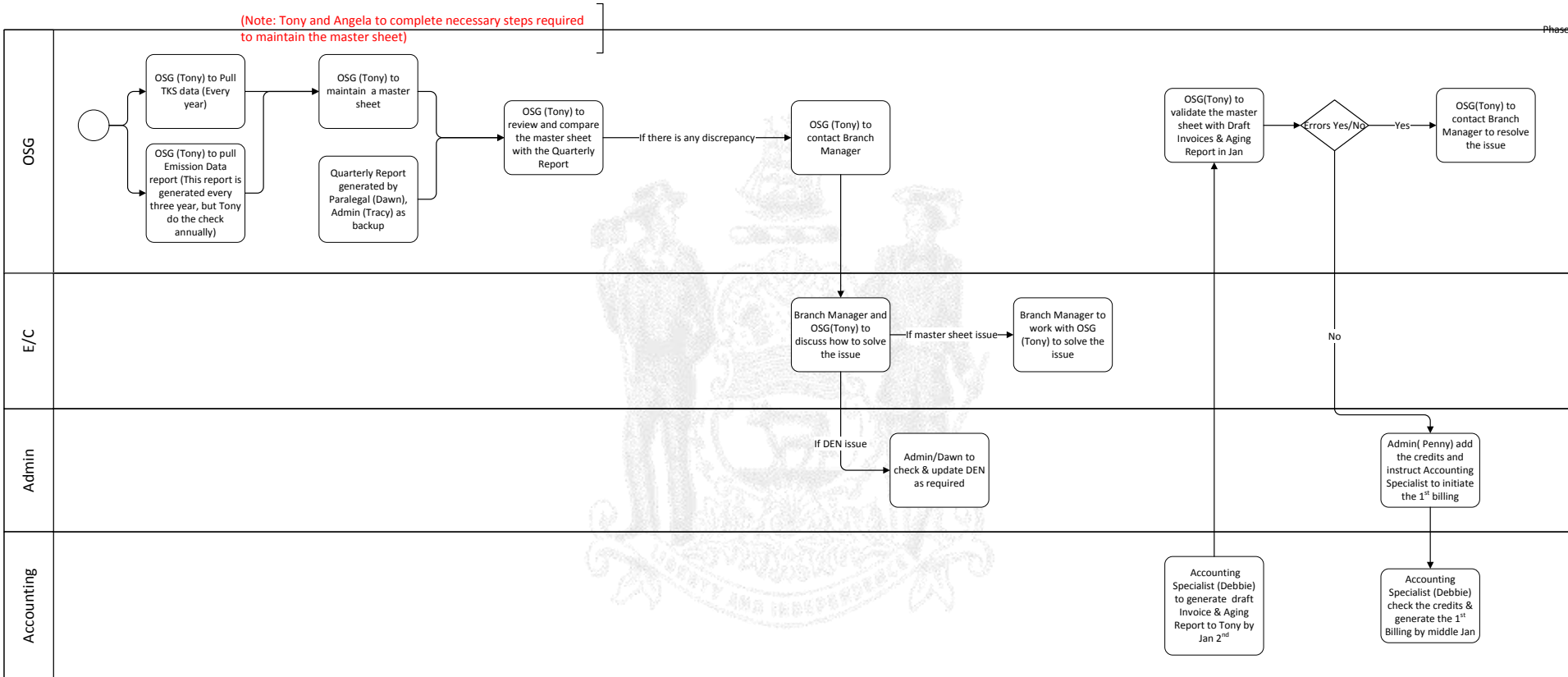
KEY DISCOVERIES



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TV Billing Improvement Project

Fee Determination for Existing Process



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TV Billing Improvement Project

**Enhanced DEN
as a stand-alone
system**

**SharePoint plus
DEN**

Email plus DEN

**Onbase plus
DEN**



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TV Billing Improvement Project

RESULTS

- Just-In Time
- 100% invoicing accuracy
- Delinquency rate (not determined)



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2018 Billing Update

- 129 Facilities Billed

- ☐ 77 SM

- ☐ 52 TV

- Fee Credits Awarded: **\$363,311**

- 2018 Total Amount Billed: **\$2,898,940**

- Status as of June 30, 2018:

- ☐ Fully Paid: 110 of 129 (85%)

- ☐ Partial Payment: 4 of 129 (3%)

- ☐ No Payment: 15 of 129 (12%)

- ☐ Fees Collected: **\$2,680,787** (92.5%)



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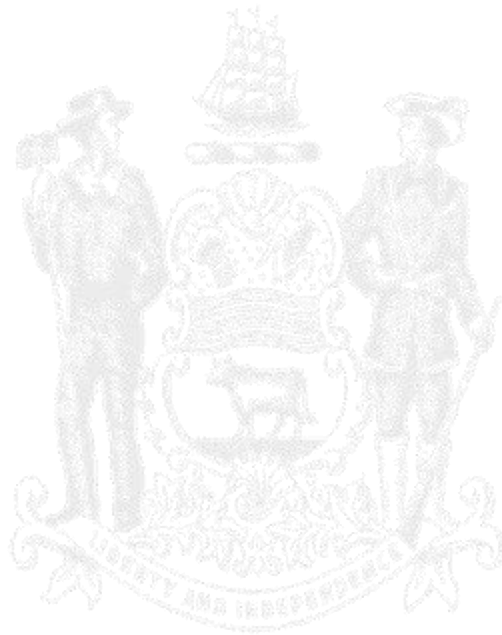
Action Items

■ DAQ Follow-up

1. ?
2. ?
3. ?

■ Committee:

1. ?
2. ?
3. ?



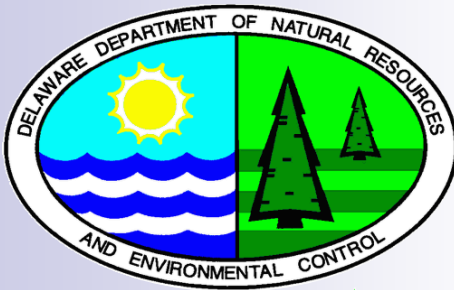


Next Meeting?



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Director's Comments



July 18th, 2018

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